



WEB COPY



C.R.P.No.3018 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 01.08.2025

CORAM

THE HONOURABLE Ms. JUSTICE P.T. ASHA

C.R.P.No.3018 of 2023  
and CMP.Nos.18631 & 18703 of 2023

R.Natarajan

... Petitioner

Vs.

1.The Circle Deputy Registrar of Co-operative  
Societies

Mayiladuthurai Circle  
Mayiladuthurai.

2.The Deputy Registrar / Managing Director  
T917, The Mayiladuthurai Consumer  
Co-operative Whole Sale Stores Ltd.,  
Mayiladuthurai.

... Respondents

**Prayer:** Civil Revision Petition filed under Article 227 of the Constitution of India praying to allow the revision petition and set aside the order passed in Co.op.C.M.A.No.12 of 2015 dated 24.02.2023 on the file of Additional District Judge, Mayiladuthurai confirming the surcharge order passed by the first respondent in Na.Ka.No.2658/2014/Va.Tha.Surcharge case No.4 of 2014 dated 10.04.2015 insofar as item 3 and 4.



WEB COPY



C.R.P.No.3018 of 2022

For Petitioner : Mr.M.S.Palaniswamy

For Respondents : Mr.P.Gurunathan  
Additional Government Pleader [R1&R2]

### **ORDER**

The above civil revision petition is filed challenging the order passed in Co.Op.CMA.No.12 of 2015 by the Additional District Judge, Mayiladuthurai.

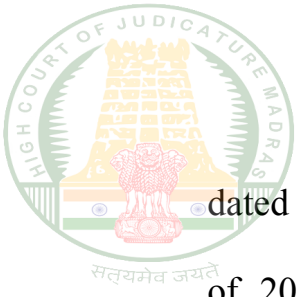
2. The arguments advanced by the learned counsel for the petitioner is that the petitioner was working as Assistant in the second respondent-Society. The said Society was under the control of Tmt.Mahalakshmi, Tmt.Chithra and Tr.Arokiyasamy. It was these persons who would procure the medicines from the wholesale agents and sell the same to customers. The sale proceeds are thereafter remitted into the Society. It was found that the medicines worth several lakhs were missing in the Society and an enquiry was therefore ordered under Section 81 of the Tamil Nadu Cooperative Societies Act (hereinafter called 'The Act'] for the period 01.04.2011 to 27.01.2014. The Enquiry Officer after conducting an enquiry, submitted a



WEB COPY

report stating that a sum of Rs.43,61,755.40 was misappropriated during this period. Criminal proceedings were therefore initiated against the aforesaid three persons and the immovable properties of Mahalakshmi was also attached. The Enquiry Officer also recommended for initiation of surcharge proceedings and accordingly, the first respondent herein initiated *suo motu* surcharge proceedings against 5 persons namely Tmt.Mahalakshmi, Tmt.Chithra, Tr.Arokiyasamy, Tr.K.Kannan and the petitioner herein. The surcharge notice dated 14.10.2014 was issued to the petitioner and others. To which, the petitioner had submitted his representation on 20.11.2014, requesting to furnish the copy of the enquiry report and other relevant documents. The first respondent without furnishing the same, had proceeded to issue the surcharge order in Na.Ka.2658/2014/Va.Tha dated 10.04.2025 against the petitioner and 4 others. Challenging the surcharge order, the petitioner had preferred an appeal in Co.Op.CMA.No.12 of 2015, which came to be dismissed on 24.02.2023 by the learned Additional District Judge, Mayiladuthurai. Hence, the petitioner is before this Court in the present revision petition.

3. The contention of the petitioner counsel is that the surcharge notice

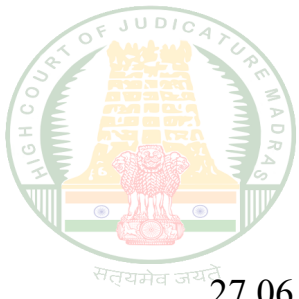


WEB COPY

dated 14.10.2014 was challenged by the said Mahalakshmi in W.P.No.8647 of 2015 and she had obtained an order of interim stay of all further proceedings to the surcharge notice. However, despite the orders of stay, the Deputy Registrar of Co-operative Societies went ahead and passed the surcharge order dated 10.04.2015. Therefore, to quash the surcharge order dated 10.04.2015, which came to be passed subsequent to the order of stay granted in W.P.No.8647 of 2015, the said Mahalakshmi had preferred W.P.No.19594 of 2015. This writ petition was allowed by an order dated 27.06.2017 and the impugned surcharge order dated 10.04.2015 was quashed. One of the grounds of challenge in the said W.P.No.19594 of 2015 was that the petitioner therein was not furnished with the enquiry report.

4. Heard the learned counsel appearing for the petitioner and the learned Additional Government Pleader appearing for respondents 1 and 2.

5. The petitioner now before this Court, has also taken the very same plea before the Additional District Judge, Myladuthurai.



WEB COPY

6. The learned Single Judge of this Court in his order dated 27.06.2017 in W.P.No.19594 of 2015, had relied upon the judgment of this Court in ***C.Kamaraj Vs The Registrar of Cooperative Societies*** reported in **2017 (1) CTC 258**, and held that the non-furnishing of enquiry report, is a violation of principles of natural justice. The learned Judge, therefore held that the surcharge order dated 10.04.2015 is liable to be set aside and accordingly, quashed the impugned order and remitted the matter back to the authorities for fresh consideration, who shall consider and pass orders on merits, after furnishing a copy of the enquiry report to the petitioner therein.

7. The petitioner herein has also taken the very same defence as in the case of W.P.No.19594 of 2015, and also reiterated that this Court in its order dated 27.06.2017, has set aside the surcharge order dated 10.04.2015 passed by the first respondent.

8. In the light of the fact that this Court in the earlier writ petition in W.P.No.19594 of 2015, has deemed it fit to quash the order of the first respondent dated 10.04.2015 in Na.Ka.2658/2014/Va.Tha, which is also the



C.R.P.No.3018 of 2023

subject matter of the present revision, the civil revision petition is allowed.

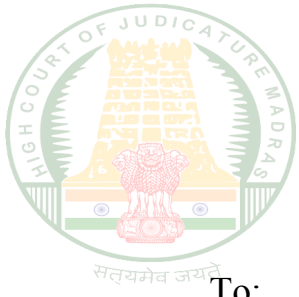
Accordingly, the order passed in Co.op.CMA.No.12 of 2015 by the learned Additional District Judge, Mayiladuthurai, dated 24.02.2023 is set aside, as also the surcharge order in Na.Ka.No.2658/2014.Va.Tha.Surcharge Case No.4 of 2014 dated 10.04.2015, is hereby quashed, and the matter is remitted back to the first respondent for fresh consideration, who shall hear the petitioner along with Mahalakshmi (the petitioner in W.P.No.19594 of 2015) and thereafter, shall pass orders on merits. The respondents are directed to furnish the enquiry report and relevant documents to the petitioner forthwith. No costs. Consequently, connected miscellaneous petitions are closed.

**01.08.2025**

Index : Yes / No

Neutral Citation : Yes / No

ds



C.R.P.No.3018 of 2022

To:  
WEB COPY

- 1.The Circle Deputy Registrar of Co-operative Societies  
Mayiladuthurai Circle  
Mayiladuthurai.
- 2.The Deputy Registrar / Managing Director  
T917, The Mayiladuthurai Consumer  
Co-operative Whole Sale Stores Ltd.,  
Mayiladuthurai.
- 3.The Additional District Judge  
Mayiladuthurai.
- 4.The Section Officer  
VR Section, High Court, Madras.



WEB COPY



C.R.P.No.3018 of 2023

P.T. ASHA, J.

ds

C.R.P.No.3018 of 2023

01.08.2025